ORIGINAL

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of	)	
	)	
Amendment of Section 2.106	)	ET Docket No. 95-18
of the Commission's Rules	)	RM-7927
to Allocate Spectrum at 2 GHz	)	
for Use by the Mobile-Satellite	)	
Service	)	

COMMENTS OF
GE AMERICAN COMMUNICATIONS, INC.

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Summary

In these comments, GE American Communications, Inc. ("GE Americom") endorses the Commission's proposal to allocate additional frequencies below 2 GHz to Mobile Satellite Service, The applications on file before the Commission for frequencies below 2 GHz would completely saturate existing spectrum that has already been allocated but will not be likely to satisfy demand. Establishment of new bands for MSS will also serve the strong public interest in intensifying competition among service providers Therefore, new spectrum for MSS is clearly required.

GE Americom is concerned, however, with the possibility that the Commission may make assignments to these new frequencies by auctions. The decision whether to use auctions as a means of making assignments should be done on a case-by-case basis, with the Commission being careful to limit its decisions so not as to create precedents for different services.

An examination of the particular circumstances of the proposed 2 GHz frequencies, and the services to which they are likely to be put, support the conclusion that making awards by auctions would be contrary to the public interest. As an initial matter, the date on which these frequencies can be operated on a worldwide basis is almost a decade away, allowing the Commission sufficient time to follow traditional selection procedures in making assignments.

Since the Commission's auction authority is limited to instances where there are mutually exclusive applications before it, the Commission should take all possible steps to avoid

creating an environment for mutually exclusive applications. It should do so by making strenuous efforts to limit eligible applications to those willing and able to operate the new frequencies by strict insistence on compliance with Part 25 financial requirements. It can further avoid mutually exclusive applications by coming up with an engineering solution that also serves its policy of competitive mutual entry.

Even, after the end of these procedures, insufficient spectrum exists to satisfy the needs of remaining applications, complex technical difficulties and international ramifications all favor making assignments in this spectrum in the way that the Commission has traditionally made such awards, which is on public convenience and necessity grounds.

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Introduction

GE American Communications, Inc. ("GE Americom") supports the proposal of the Commission in the above-referenced docket to allocate the 1990-2025 MHz (Earth-to-space) and the 2165-2200 MHz (space-to-Earth) bands to the Mobile Satellite Service (MSS).[1] There is already sufficient customer demand for services that in some cases can be most efficiently delivered by MSS and in other cases can only be delivered by MSS. The current high level of demand, in fact, already threatens to saturate existing frequencies allocated to MSS. Given the potential for further growth for MSS, the Commission should allocate at least the amount of spectrum proposed in the Notice.

There is, however, one area for concern raised by the Notice. This is the proposal that, if the applications for licenses in this band exceed the available spectrum, competitive bidding will be used.[2] While sections 309(j)(1) and (2) of the

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[1] Notice of Proposed Rulemaking (released Jan. 25, 1995) (Notice).

[2] Notice at ¶ 17.

Communications Act of 1934, as amended, give the Commission the authority to conduct auctions in certain situations, this authority is not mandatory but optional and should be not used here, since auctions may not be necessary and would be inappropriate as a means of assigning MSS satellites to the new spectrum.

I.

SUFFICIENT TIME REMAINS TO AVOID A HURRIED ASSIGNMENT TO THE NEW BANDS

Use of an auction in this particular case would not necessarily achieve one of its touted advantages, which is that it permits expeditious initiation of service. Prompt initiation of services may not be possible in the frequencies to be allocated as proposed in the Notice, however, due to the fact that worldwide implementation of their services is not allowed until 2005. Surely, within this time the Commission is capable of selecting the most qualified applicants in accordance with its traditional tests of public convenience and necessity grounds.

While the number and the nature of the applications can only be conjectural at this point, it is possible that some potential applicants will seek to provide only non-geosynchronous LEO-type worldwide service on these bands. The Commission notes that Celsat and AMSC seek to use the new frequencies by GSO satellites to provide domestic mobile services, while TRW has different plans to use the frequencies by LEO MSS satellites to provide worldwide service. If the Commission adheres to its traditional philosophy of granting satellite operators the flexibility to

serve their customers as they best see fit and provides for a partial-LEO or all-LEO allocation, there would be no reason for use an auction to make immediate assignments to certain applicants. Because worldwide use of these bands is not permissible for almost ten years,[3] sufficient time remains for assignments to be made under traditional Commission means, including comparative hearings if necessary.

Because of this limitation, LEO applicants such as TRW and possibly others may not want to institute service on a domestic basis, in favor of launching and operating their systems only when the bands are open for a worldwide use in January 2005.[4] Only at this point can the full value of LEOs, which is worldwide coverage, be realized. Even taking into account the lead time to construct a mobile satellite system, the Commission is not pressed for time to the extent that it can justify an auction on this basis.

More generally, uncertainties regarding the use of the spectrum by GEOs and LEOs underscore why auctions are

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[3] Under the Radio Regulations, the 1980-2010 MHz band is allocated to fixed and mobile satellite use. While Footnote 746C would allow domestic use of the 1970-2010 MHz and 2160-2200 MHz bands beginning January 1966, Footnote 746B provides that international use of these two bands is not to commence before January 2005.

[4] If the Commission adopts a mixed GSO-LEO assignment, GE Americom assumes that it will not allow GSO applicants that wish to institute domestic service immediately to saturate the spectrum, thereby preempting opportunities for worldwide LEO systems proposed in the same processing round.

inappropriate here. The Commission will face difficult coordination issues and will require maximum flexibility to resolve them. Auctions, in contrast, are most workable when coordination issues are insignificant. Put another way, auctions may be useful as a device to award bare, fungible spectrum among competing parties where coordination among users is not a material problem. But in the 2 GHz environment, use of auctions would constrain the Commission's flexibility, both before and after grant of authorizations to accommodate additional entry and other services.

II.

THE COMMISSION SHOULD PREVENT MUTUALLY EXCLUSIVE APPLICATIONS

There is nothing in the Communications Act of 1934, as amended, that compels the Commission to use auctions. Despite the economic benefits the Commission has cited in favor of auctions, the amendments to the Communications Act contained in Title VI of the 1993 Omnibus Budget Reconciliation Act authorize the Commission to make assignments by competitive bidding only when mutually exclusive applications are accepted for filing for any initial license or construction permit.

Any power exercised under section 309(j), however, is subordinate to the overarching requirements of section 307(a). This directs the Commission to factor into assignment decisions the full range of considerations that constitute the public convenience, interest and necessity, few of which are necessarily attainable by wealth and ability to pay. As section 309(j)(6)(E)

cautions, the availability of auctions does not "relieve the Commission of the obligation in the public interest to use engineering solutions, negotiations, threshold qualifications, service regulations, and other means in order to avoid mutual exclusivity."

There are a number of ways that the Commission can comply with the statutory command to use available threshold means to avoid a finding that applications seeking frequencies in excess of those allocated in these proceeding are mutually exclusive. First, it should take a rigorous approach in weeding out applications that are lacking in either technical support or financial backing. Even if the spectrum sought by the remaining applications that are technically acceptable and qualified under Part 25 still exceeds that allocated after this pruning process, the Commission should determine whether spectrum sharing among the remaining applicants is possible. If, as a result of these two steps, both of which can be accomplished significantly in advance of 2005, the amount of spectrum sought by the applicants still exceeds that available pursuant to the new allocations, the Commission should award licenses to the applicants that can best serve the public interest by using traditional means rather than by auction.

A. The Commission Should Use Stringent Threshold Requirements

GE Americom believes the Commission should minimize the chances that demand for the new spectrum to be allocated in this proceeding will exceed its availability. It can do so if, as a

threshold matter, it limits its consideration to applicants that can demonstrate that they have the necessary technical expertise to utilize these frequencies and adequate financial backing to support their proposals.

As far as the financial showing is concerned, the Commission should follow the precedent established in the Big Leo proceedings[5] to screen all applications for compliance with the provisions of Part 25. The Part 25 test can be satisfied only by a showing that an applicant has the current financial ability to meet the costs of construction, launch and the first year of operations.[6]

Strict compliance of all applications that go forward with the financial showings required by Part 25 is necessary in the public interest. What the Commission said in the Big LEO decision applies here:

> [It is] our repeated experience that licensees without sufficient available resources spend a significant time attempting to raise the necessary financing and that those attempts often end unsuccessfully. . . . . [A]dopting a lesser financial standard than the domestic fixed-satellite standard . . . could tie up spectrum for years, contrary to the public interest.[7]

Accordingly, the Commission there required Big LEO applications to satisfy the test applicable to domestic fixed-satellite

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[5] Report and Order, Amendment of the Commission's Rules to Establish Rules and Policies Pertaining to a Mobile Satellite Service in the 1610-1626.5/2483-2500 MHz Frequency Bands, 9 FCC Rcd 5936 (1994).

[6] 47 C.F.R. § 25.140(a).

[7] 9 FCC Rcd at 5948-50 (1994) (footnotes omitted).

systems, which it stated "was developed to deter warehousing and inefficient use of valuable orbit spectrum resources."[8]

These important public interest considerations also apply here, since there is an identically compelling need to avoid warehousing of scarce spectrum and to provide assurance to the Commission and potential customers that services proposed for this spectrum have sufficient financial backing to go forward.

Accordingly, the Commission should announce no later than its notice initiating a processing round for filling assignments in the newly-allocated 2 GHz spectrum that applicants failing to demonstrate compliance with the financial standards of Part 25 will be dismissed.[9]

Also, if the Commission announces this requirement at the outset of a processing round, it will not be required to adopt the two-tiered eligibility rule it did in the Big LEO decision, which gave some applicants a second opportunity to demonstrate that their systems met the Part 25 test. This allowed applicants that failed to demonstrate absolute compliance with Part 25 financial standards initially to attempt to do so subsequently without jeopardizing their status in the processing group, although they would not be given priority vis a vis applicants

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[8] Big LEO decision at 5949.

[9] In announcing the cut-off date for C- and Ku-band FSS applications in the current processing round, the FCC unambiguously stated that "Applicants that fail to provide all required [Part 25] required information by the cut-off date will be dismissed as unacceptable for filing. Report No. DS-1187 (released Nov. 9, 1994).

who had met the Part 25 test initially.

The Commission was persuaded to adopt this two-tiered eligibility rule in the Big Leo proceedings out of simple fairness. It had submitted the question of financial showing to the negotiated rulemaking committee, after applications had been filed, but decided to apply the Part 25 financial qualification test only after the negotiated rulemaking had concluded, during which period applicants had already submitted their filings in good faith and had expended financial, engineering and legal resources in the negotiated rulemaking.

Here, by comparison, no questions of unfairness can be raised if the Commission announces from the outset that strict compliance with Part 25 requirements will be required for all applications and that those applicants that fail to meet the Part 25 tests will not be entitled to consideration in this processing round.

For the Commission to insist on a stringent application of the Part 25 test before allowing applications to go forward is fully consistent with its traditional encouragement of new entry and its "open skies" polices that favor multiple competitive entry into satellite-based services. Technical qualifications and financial soundness go hand in hand. A new entrant that is seriously committed to participate in the MSS field will almost invariably have a well thought-out application, which will attract sufficient capital to ensure that it can be brought into fruition. Technically applicants short of capital can always

meet Part 25 requirements by scaling back their proposed systems. It is only technically unsound proposals that will be unable to amass the capital to make the showings required under Part 25, and these should be dismissed from early in the process without being a second bite at the apple as far as Part 25 is concerned.

If the Commission announces beforehand that applications must show compliance with Part 25 financial requirements and strictly scrutinizes applications to ensure that they meet these requirements, the number of qualifying applications may be limited. Some potential applicants may not be able to find necessary financing, while other applications may be disqualified for not making the necessary showing. Thus, it may be possible after this threshold stage to make assignments within the allocated spectrum, thereby rendering the possibility of auctions moot.

B. An Engineering Solution Could Rule Out the Need for Auctions

Even if this first-stage pruning out of unfinanced and underfinanced applications leaves requests for new MSS spectrum in excess of that available, there is no warrant for the Commission to turn to an auction at this point. The statute requires it to take further steps to minimize the possibility that applications before it are, in fact, mutually exclusive. GE Americom welcomes the fact that the Commission intends to take further steps in order to avoid mutually-exclusive applications. As it acknowledged in the Notice, the Commission's plan is "to the extent possible, to employ engineering solutions to encourage

maximum access to this spectrum . . . ."[10]

After the Commission has screened applications for Part 25 purposes and for technical soundness, the Commission should attempt to fashion engineering solutions, based as nearly as practicable upon the unanimous judgments of the applicants themselves. Therefore, contemporaneously with its decision on financial eligibility, the Commission should give the applicants an opportunity, in a negotiated rulemaking, to come up with an appropriate means of sharing the spectrum in a way that meets the Commission's objective of establishing a framework for competitive multiple entry.

This course of finding a solution for frequency sharing was adopted in the Big LEO proceedings, with the result that the committee came up with a number of proposals that were ultimately adopted by the Commission, which allowed the Commission's adjudication powers to focus on a narrow range of disputed issues.

A negotiated rulemaking would serve a number of purposes in this context. First of all, it could produce frequency sharing rules acceptable to all applicants, all of which presumably know what is best for themselves and have technical expertise at hand. An industry consensus sharing plan could be also adopted more expeditiously than designing and conducting a prolonged and complex auction and ensure that service could begin at the earliest possible point.

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[10] Notice at ¶ 17.

Even if a negotiated rulemaking did not come up with a complete engineering solution, it is possible that the applicants could agree in part on that solution and require the Commission to decide the remainder. Since a great deal of discussion and exchanging of factual information occurs in the context of a negotiated rulemaking, disputes over the optimal means of sharing could be boiled down to a single issue or a limited set of issues, as to which all factual disputes are clearly delineated and documented. Factual information presented and discussed before a negotiated rulemaking committee would thus substitute for the evidentiary phase of a hearing on which the Commission could base its decision. Further, if the Commission employees who serve as facilitators to a negotiated rulemaking also act to advise the Commission in resolving a disputed issue, this will improve the workability and quality of a decision mandating means of frequency sharing.

The ability of the Commission to decide a deadlocked issue without extensive delays is best illustrated in its decision in its Big LEO decision. There, a negotiated rulemaking committee was convened to come up with proposed service rules. Although consensus was reached on many issues, the parties were unable to agree on how all proposed systems could be accommodated in the frequency bands in question. Within 18 months after the negotiated rulemaking reported this deadlock, the Commission came up with a solution, thereby minimizing the potential for the

auction that it had initially proposed.[11] GE Americom is confident that no more time will be required here, especially in view of the Commission's growing expertise in MSS frequency-sharing compiled because of its involvement in the Big LEO proceedings.

As the Commission's decision in the Big Leo proceedings further demonstrated, reaching a decision on an optimal frequency sharing arrangement is far simpler than the situation of a contested broadcast comparative hearing, which have numerous issues such as community ties of proposed owners, their past broadcasting experiences and other activities bearing on "character," their proposed programming choices. and so forth. Witness credibility often plays a critical point in mutually exclusive applications for broadcasting licenses, requiring the appointment of an administrative law judge to take testimony, evaluate credibility, marshal the evidence, and produce a recommended decision, which requires extensive Commission review.

Here, by comparison, the Commission would have to approve or decide, at most, whether there is an engineering solution that will accommodate multiple competitive entry. This would be a simple factual matter and one that the Commission could, with its engineering expertise as supplemented by that of the applicants, make in relatively short order, thereby mooting the possibility

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[11] Notice of Proposed Rulemaking, Amendment of the Commission's Rules to Establish Rules and Policies Pertaining to a Mobile Satellite Service in the 1610-1626.5/2483-2500 MHz Frequency Bands, 9 FCC Rcd 1094, 1109, 1115-18 (1994).

of use of an auction.[12]

III.

AN AUCTION WOULD BE AN INAPPROPRIATE MEANS OF MAKING ASSIGNMENTS OF 2 GHz SPECTRUM

GE Americom acknowledges that it is at least possible that there could emerge a situation, after the field of applications has been pared down by Part 25 screening and after an engineering solution for frequency sharing has been developed, where the requests for 2 GHz spectrum will exceed that available. Even in this event, the Commission should avoid an auction.

In general, whether to hold an auction raises different considerations for different services. By attaching numerous conditions to the use of auctions, Congress recognized that auctions were not a panacea for awarding licenses but could be used in limited, circumscribed situations where they would serve the public interest. Simply because the results of auctions in PCS have resulted in billions of dollars contributed to the Treasury does not support the conclusion that they are appropriate for all services. Whether an auction should be used as a last resort in the case of mutually exclusive services depends on the circumstances in each case.

Here, all relevant factors point to the conclusion that to

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[12] The Commission should, after it establishes a frequency-sharing plan, give applicants a short time to amend their applications so that the allocated frequencies can permit competitive multiple entry to the maximum extent possible. This would be in conformity with the Big Leo decision. 9 FCC Rcd at 5939.

award the new 2 GHz frequencies by auction would be unwise and contrary to the public interest. Even if, notwithstanding the cogent reasons to the contrary. the Commission maintains it might resort to auctions, it should be careful not to establish an auction precedent here that is too broad, since FSS and other satellite services raise different coordination and other issues that should be addressed at a later date.

A. The Commission Has Sufficient Time to Use Traditional Selection Procedures

As GE Americom has already pointed out, sufficient time remains before the frequencies in question are available for global use by LEOs. Between now and 2005, the Commission could complete all the threshold steps described above and still, if mutually exclusive LEO applications remain, have sufficient time to select which applicant or applicants best meet the public interest. By this point in the proceedings, the scope of public interest considerations would be considerably narrowed, in that all remaining applicants would be financially and technically qualified, and there would be a frequency sharing plan in place. Therefore, the unresolved public interest considerations to be decided by the Commission would be little more than frequency efficiency, service availability and geographic coverage. Resolving these by use of a comparative hearing should not prove to be a difficult or a time-consuming task and would produce results far superior to those attainable in an auction, where considerations are limited to which applicant values the spectrum the most.

B. Auctions Would Create Uncertainty as to the Viability of Services Utilizing the New Frequencies

There are positive disadvantages to the use of an auction here. Paramount among these is the uncertainty that the potential use of this solution would cast over the successful implementation of new services in the bands. While applicants may be able to satisfy Part 25 requirements, these are only a threshold condition for award of authority. Implicit in the Notice's conclusion that auctions may be necessary is an assumption that an applicant that is financially qualified under Part 25 is equally capable of raising adequate funds likely to be necessary to prevail in an auction.

This assumption must be questioned. Few capital sources would be willing to give even qualified applicants what would amount to a blank check in order to succeed in an auction. This would be particularly injurious to the Commission's policy of accommodating new applicants, who would have to rely on outside sources of capital.

In addition, the bid necessary to win may be so high as to significantly affect profit margins required by the new satellites and their investors or even their ability to get started.[13] Until an applicant knows who his competitors will be and what foreign coordination procedures will be entail, it will be exceedingly difficult for him to place an accurate value on

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[13] This is particularly true to the extent that some applicants may use these frequencies to provide worldwide telephone services, which must be priced competitively with terrestrial-based services.

spectrum, causing it to overbid. It is not in the public interest for the Commission to unleash undercapitalized firms weakened by auctions in order to compete in the highly-competitive and capital-intensive global telecommunications markets.

C. Unique Technical Considerations in the New Bands Would Make Auctions Particularly Inappropriate

While it is to be expected that service rules will be established before the Commission proceeds to award licenses in the new frequencies, random entry that would result from an auction process would be difficult to manage due to frequency coordination and other technical matters. No matter how narrowly-drawn the service rules may be, a certain degree of inter-service and, if the Commission allocates the new frequencies to both LEOs and GEOs, intra-service coordination would be required. If the Commission allows firms that place the highest value on the frequencies to be awarded licenses in an auction rather than selecting among qualified applicants, it would face unusual coordination difficulties, unlike the minimal ones involved if the Commission were to select the applicants that could best operate among themselves without causing harmful interference.

In addition, structuring an auction for assignment of frequencies involved here would involve certain complexities of its own, the solution of which make take more time than a hearing on an expedited basis. First of all, if the Commission decides to allocate the new spectrum to both GSO and non-GSO services, it

would have to decide whether to establish a two-phased auction, one reserved to GSOs and the other to non-GSO LEOs and allow each to bid among each other. Because GSOs can commence domestic services immediately, GSO might place a higher value on using the spectrum now to recover their investment and therefore outbid LEOs, who could only use the spectrum later If the Commission wishes to preserve competitive opportunities for LEOs, it would have intervene in the auction process to structure it so that GSOs do not acquire all the available spectrum, thereby preempting opportunities for their non-GSO competitors. If the Commission decides that the public interest is best served by a mix of GSO's and non-GSO LEOs, it should implement this policy by making the selection itself, rather than to leave the matter up to marketplace forces.

Establishing the structure for an auction in these circumstances presents further technical complexities that, in the end, would be far more difficult than selecting the applicants on public interest grounds. Unlike the PCS auction, where the Commission auctioned off fungible frequencies, the frequencies here are not fungible, due to the differing needs of the applicants. Accordingly, It will be extremely difficult for the Commission to establish appropriate frequency blocks for GEOs and non-GSO LEO's, unless the Commission divides the spectrum into minuscule frequency blocks and allowing qualified applicants to bid on each. This would produce a complex and time-consuming auction process that could possibly result in the introduction of

services later than would be possible than if it awarded licenses by conventional public, convenience and necessity criteria.

Since 2 GHz spectrum is not fungible, in that different applicants will in all certainly have different ways of using it, tailoring auction blocs to meet all anticipated needs will be difficult, raising the possibility that an applicant will be able to acquire less than is necessary to operate its proposed services or forced to buy more. Even if the Commission could structure auctions so as to prevent bidders from acquiring unnecessary spectrum, if the channel blocks were inconsistent with certain applicants' proposals, they would be required in an auction to acquire unused spectrum to operate their systems. Other applicants may have to bid on blocks that contain spectrum that they do not need. This raises the possibility that the applicant buying too much spectrum will be reluctant to sell his excess to his competitor, and this valuable spectrum will be wasted. Unless the spectrum is managed by selection among applicants, there is no assurance that the excess channels acquired by a successful bidder would be suitable or sufficient for another applicant. This would be contrary to the Commission's policy favoring the establishment of a competitive market structure.

D. Comparisons to PCS Auctions Are Inapt

As GE Americom has already pointed out, the decision to use auctions to decide between mutually-exclusive applications should be considered on a case-by-case basis, and the Commission should

be careful to resist any suggestion that, because auctions successfully resolved competing applications for PCS frequencies, they should be used here.

The two cases could not be more dissimilar. The PCS proceeding involved assignment of identical frequency blocks of essentially fungible spectrum in a number of market areas, producing over 2,500 bidding opportunities, in which there were hundreds, if not thousands of applicants making initial bids. Here, by comparison, the amount of frequency is limited and number of final applicants may be quite small.

In PCS, the spectrum was considered as fungible, unlike the situation under consideration here, which is not necessarily fungible, due to differing uses to which the applicants may put it. Unlike the situation here, PCS applicants could accurately assess the value of the spectrum for which they bid, since the Commission had fixed the number of PCS licensees that could be authorized within a region. As previously pointed out, LEO MSS bidders for the new frequencies would have a difficult time putting a value on the frequency, since they would not know the number and character of their competitors or what additional costs and other difficulties would be involved in coordinating their services globally.

Also in PCS, sharing and frequency coordination of adjacent frequency was not and issue, unlike here. Further, Congress had imposed deadlines for PCS licenses to be awarded, while, as GE Americom has shown here, sufficient time remains for the

Commission to award licenses by selection among qualified applicants.

Finally, as the experience of the PCS auctions showed, the Commission's policy of diversity in the ownership of licenses was not served. Only assignments made on the basis of administrative selection can new entrants be accommodated and a diversity of ownership ensured.

E. An Auction May Have Adverse International Implications

GE Americom also believes the Commission has, in the Big LEO proceeding, given unnecessarily short shrift to the example that selection by auction might set for foreign countries served by LEO users of the new 2 GHz frequencies. Certain countries might misinterpret the reasons the Commission believes in auctions and have frequency auctions of their own or exact "greenmail" from successful U.S. bidders. While the Commission acknowledged this possibility in the notice of proposed rulemaking, it dismissed these claims by unfairly placing the burden of showing these consequences upon the applicants by saying: "The comments have provided no concrete evidence . . . that an auction would have these harmful results."[14] GE Americom believes that, unless the Commission is completely assured that the unintended international consequences of an auction raised in the Big Leo proceedings would not result, it should not hold an auction of the frequencies at issue.

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[14] Ibid. at 5971.

Conclusion

For the foregoing reasons, GE Americom believes that the Commission can structure the proceedings leading up to the award of licenses in the new frequencies in such a manner as to avoid mutually exclusive applications to be considered and that, to the extent that there are such applications, it should make awards on the basis of the public interest on factors other than wealth and the ability to pay. The Commission should therefore allocate the frequencies for satellite services and immediately thereafter schedule a processing round.

Respectfully submitted,

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